REMARKS

Claims 1-15 remain pending in this application. Claims 1, 2, 5-7, 10-12 and 15 have been amended to more clearly recite the claimed subject matter. Support for the claims, as amended, may be found for example in FIG. 10 and at page 23, lines 15-18 of the present application as originally filed. No new matter has been added. Reconsideration and allowance of the pending claims, as amended, in light of the remarks presented herein are respectfully requested.

Claims 5, 10 and 15 are rejected under 35 USC 112, second paragraph, as indefinite due to an antecedent basis issue in connection with the phrase "each blanket order". The claims have been amended to overcome this antecedent basis issue. Accordingly, withdrawal of this rejection is respectfully requested.

Claims 1-15 are rejected under 35 USC 112, second paragraph, as being indefinite due to the use of the phrases "predicting a sales amount" and "calculating a sales plan amount". The claims have been amended to clarify that a <u>first</u> sales plan amount is <u>calculated</u> for a period <u>prior</u> to a specific day, and a <u>second</u> sales plan amount is <u>predicted</u> for a period <u>following</u> the specific day. Accordingly, withdrawal of this rejection is respectfully requested.

Claims 1-15 are rejected under 35 USC 103(a) on Kawashima (US 5,168,445) in view of Iida (US 6,668,245). This rejection is respectfully traversed.

The present invention is directed to inventory management comprising a number of elements in combination. Representative claim 1, as amended, recites calculating a supplemental amount of inventory at a specific day. The supplemental amount is based on a first inventory amount and a lower limit inventory amount of the specific day. The first inventory amount is predicted based on a first sales plan amount. The first sales plan amount is calculated from a standard day, prior to the specific day, to the specific day. The lower limit inventory amount is calculated based on a sales fluctuation range amount. The sales fluctuation range amount is calculated based on a second sales

plan amount. The second sales plan amount is predicted <u>from the specific day through a number of following days</u> required to deliver merchandise.

In other words, the claimed supplemental amount of inventory calculated at a specific day is based on an inventory amount based on a period <u>prior</u> to the specific day, and a sales fluctuation range amount based on a period <u>following</u> the specific day. A similar feature is neither disclosed in nor suggested by Kawashima or Iida, taken alone or together.

The Examiner concedes that Kawashima fails to disclose calculating a sales fluctuation range amount as claimed, and instead relies upon Iida for teaching this element. However, the portion of Iida cited by the Examiner for teaching this element, col. 4, lines 38-44, does not disclose calculating a sales fluctuation range amount based on a period <u>following</u> the specific day upon which a supplemental amount of inventory is calculated as claimed. Rather, the cited portion of Iida describes a coefficient calculation based on estimated and actual sales based on days <u>prior to</u> the day upon which an inventory calculation is made.

Accordingly, because neither Kawashima or Iida, individually or collectively, teach or suggest a combination including calculating a sales fluctuation range amount based on a period following a specific day upon which a supplemental amount of inventory is calculated, the rejection of claims 1-15 should be withdrawn.

In view of the above, each of the presently pending claims in this application is believed to be in immediate condition for allowance. Accordingly, the Examiner is respectfully requested to withdraw the outstanding rejection of the claims and to pass this application to issue. If it is determined that a telephone conference would expedite the prosecution of this application, the Examiner is invited to telephone the undersigned at the number given below.

In the event the U.S. Patent and Trademark Office determines that an extension and/or other relief is required, Applicants petition for any required relief including extensions of time and authorizes the Commissioner to charge the cost of such petitions and/or other fees due in connection

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